



February 12, 2026

Ms. Crystal Henwood
Regulatory Affairs Officer/Clerk
Nova Scotia Utility and Review Board
1601 Lower Water Street, 3rd Floor
P.O. Box 1692, Unit "M"
Halifax, NS B3J 3S3

Re: M12524 - Concentric FERC Order 2023 Report - IESO Nova Scotia - Recommendations Plan and Timeline, and M12174 - Interconnection Processes Proceeding - Annual Report

Dear Ms. Henwood:

In its letter of December 23, 2025, the Nova Scotia Energy Board (NSEB, Board) provided the following with respect to further consideration of the above noted matter:

The panel intends to seek comments about Concentric's report and recommendations from participants in Matters M10905 and M12174, and other interested parties including any other parties who may have participated in the stakeholder workshops leading to Concentric's report. However, the Board notes that NS Power's letter advised "... that consideration of FERC Order 2023 pertains primarily to transmission system interconnection processes, the responsibility for which is expected to transfer to the Independent Energy System Operator of Nova Scotia (IESO-NS) in the near future."

As an initial step in the Board's intended process, it will require NS Power or the NSIESO to indicate whether the recommendations are formally accepted and outline a plan and timeline for implementing those that are.

Please advise whether NS Power or the NSIESO is the appropriate party to direct this request to, at this time.¹

By letter on January 19, 2026, the Independent Energy System Operator of Nova Scotia (IESO Nova Scotia) confirmed it is the appropriate party to direct questions to and address Concentric's FERC Order 2023 report and recommendations. On January 26, 2026, the Nova Scotia Energy Board (NSEB, Board) issued a letter to the Independent Energy System Operator

¹ NSEB Letter, Re: M12524 - Nova Scotia Power Incorporated - Concentric FERC Order 2023 Report, December 23, 2025, p.1.

of Nova Scotia (IESO Nova Scotia) regarding the above noted matter. In its letter, the NSEB provided the following direction:

...the Board directs IESO Nova Scotia to indicate whether it accepts the recommendations in Concentric's report and to outline a plan and timeline for implementing those that are. Please provide this response by Thursday, February 12, 2026.²

Please find herein IESO Nova Scotia's response to the Board's direction.

FERC Order 2023 Recommendations

Concentric's report *Interconnection Process Recommendations for the Nova Scotia Electricity System Following Review of FERC Order No. 2023 and August 2025 Stakeholder Workshop* provided the following recommendations:

- R1. Establish two Cluster Study opportunities per year.
- R2. Implement a proportional impact approach to system network upgrade cost allocation while allocating substation network upgrade costs on a per capita basis for associated interconnecting customers. Revise the GIP to include definitions for substation and system network upgrades.
- R3. Distribute the cost of cluster studies on a pro rata (80%) and per capita (20%) basis.
- R4. Develop a transmission capacity heat map to accelerate the initial analysis of interconnection requests and replace the Feasibility study.
- R5. Maintain the current study deposit structures and amounts.
- R6. Implement a penalty structure for failures to meet study deadlines only for the cluster study and restudy phases of the cluster study process.
- R7. Do not impose an incremental fee on interconnection customers who withdraw projects. The withdrawing entity remains responsible for any re-study costs for affected projects.
- R8. Do not implement the connect and manage approach.
- R9. Enhance information systems to track the evolution of interconnection requests throughout the interconnection process.³

IESO Nova Scotia accepts most of Concentric's recommendations as is, with additional commentary on four recommendations below.

² NSEB Letter, re: M12524 - Concentric FERC Order 2023 Report - IESO Nova Scotia, January 26, 2026.

³ Concentric Report, *Interconnection Process Recommendations for the Nova Scotia Electricity System Following Review of FERC Order No. 2023 and August 2025 Stakeholder Workshop*, October 23, 2025, M12524, p.16.

R1. Cluster Studies

IESO Nova Scotia notes that the ability to conduct cluster studies has been in place in Nova Scotia for some time, as provided for under Section 4.2 of the Standard Generation Interconnection Procedures (SGIP), which provides as follows:

At Transmission Provider's option, Interconnection Requests may be studied serially or in groups for the purpose of the Interconnection System Impact Study.

Grouping shall be implemented on the basis of Queue Position, except when a particular Interconnection Request is sufficiently electrically remote from others that it cannot reasonably be grouped with other Interconnection Requests. At the discretion of the Transmission Provider, requests may be studied together without regard to the nature of the underlying Interconnection Service, whether ER Interconnection Service or NR Interconnection Service. Transmission Provider may study an Interconnection Request separately to the extent warranted by Good Utility Practice based upon the electrical remoteness of the proposed Generating Facility.

Grouped Interconnection System Impact Studies shall be conducted in such a manner to ensure the efficient implementation of the applicable regional transmission expansion plan in light of the Transmission System's capabilities at the time of each study.⁴

"Groups" of studies referred to in Section 4.2 of the SGIP are essentially the equivalent of the cluster study process referred to and recommended by the Concentric report.

Section 4.2 of the SGIP does not restrict Cluster studies to just two per year. IESO Nova Scotia has the ability to implement cluster studies already for projects that are grouped in such a way that the cost and study time can be shared, which is dependent on the number of Interconnection Requests received and for which area of the system during any given study window. Given the uncertain variability of the number and nature Interconnection Requests, IESO Nova Scotia submits that it maintain flexibility to conduct cluster studies, and in the alternate one-off studies, for Interconnection Requests based on its professional judgment, taking into consideration the most expeditious and cost-effective approach. For additional clarity, IESO Nova Scotia will endeavor to maintain a minimum of two cluster studies per year as recommended by Concentric, but recommends that it reserve the ability to conduct more cluster studies per year, and one-off studies, as the circumstances call for.

R4. Transmission Capacity Heat Map

IESO Nova Scotia appreciates the desire of parties to have increased visibility into the feasibility of various points of interconnection on the transmission system for new energy resources. IESO Nova Scotia acknowledges that the development and provision of information to potential interconnection customers regarding capacity and constraints on various areas of the Nova

⁴ [Standard Interconnection Generation Procedures, June 10, 2026, Section 4.2](#)

Scotia transmission system may provide benefit to potential interconnection customers. Any potential transmission interconnection heatmap visualization would need to be customized in such a way that it would provide valuable and actionable data. This is particularly the case given the interconnection potential and available capacity on the transmission system will vary for different types of energy resources (e.g. wind, solar, BESS, etc.). Accordingly, IESO Nova Scotia proposes to consider fit-for-purpose options for providing prospective interconnection customers with applicable and helpful information, with a view towards efficient and timely provision of that information in the most cost effective manner.

R5. Study Deposit Structure

This recommendation is related to the identified need in FERC Order 2023 to increase study deposits as a method of ensuring that only projects with a pathway to commercial operation are admitted to the System Impact Study queue. In that context, Concentric did not recommend an increase in study deposits as the current deposit levels appropriately considered this. IESO Nova Scotia notes that with the increased complexity of Electromagnetic Transient (EMT) analysis required to enable the reliable integration of high levels of inverter-based resources, study costs have increased. Accordingly, the study deposit structure and amounts will be reviewed by IESO Nova Scotia in 2026, and appropriate revisions to the SGIP proposed, if any.

R6. Penalty Structure

IESO Nova Scotia notes that the penalty structure recommendation by Concentric focuses primarily on transmission providers, with only the following brief reference to applicability to independent system operators (ISOs): “...certain ISOs and RTOs adopted the reforms but requested variations to suit the timing of their distinct approaches to the interconnection study process.”⁵

Some aspects of the study and processing of Interconnection Requests have transferred from NS Power to IESO Nova Scotia. IESO Nova Scotia assumes then that the adoption of any potential penalty structure for failure to meet those study deadlines under its ownership would apply to it.

Given IESO Nova Scotia is a not-for-profit organization, application of penalties against IESO Nova Scotia appears to be ill-suited at this time, without further study of its appropriateness in this context. In light of this, IESO Nova Scotia proposes to further consider this issue as part of its work in 2026 on broader SGIP revisions (see below).

Plan and Timeline

Those recommendations that IESO Nova Scotia accepts, or is otherwise directed by the Board to adopt, may require revisions to interconnection documentation and processes, including the

⁵ Concentric Report, Interconnection Process Recommendations for the Nova Scotia Electricity System Following Review of FERC Order No. 2023 and August 2025 Stakeholder Workshop, October 23, 2025, M12524, p.12.

SGIP. Those recommendations expected to require work to be fully implemented are listed in the table below, alongside a brief description of the requirements to adopt/complete.

Recommendation	Requirements
Two Cluster Studies Per Year	Will require amendments to the SGIP and corresponding NSEB approval.
System Upgrade Cost Allocation	
Cluster Study Cost Allocation	
ISO Penalty Structure	Will require further consideration, amendments to the SGIP, and corresponding NSEB approval.
Study Deposit Structure	
Transmission Heat Map	Will require further consideration and solution proposed by IESO Nova Scotia.
Information Tracking Systems	Development of appropriate information tracking systems is underway.

In most cases, corresponding revisions to the SGIP must be made. Additionally, Interconnection Processes documentation must be updated to address a number of other issues IESO Nova Scotia is considering. IESO Nova Scotia advised as follows in its letter to the NSEB on November 28, 2025:

... as the NSEB may appreciate, IESO Nova Scotia is in its early stages of formation and is working expeditiously to implement its mandate under the More Access to Energy Act (Nova Scotia) (the “Act”). It is foreseeable that further revisions to the SGIP will be required to reflect IESO Nova Scotia’s legislated role as set out in the Act.⁶

Accordingly, IESO Nova Scotia has identified the following topics to be addressed through revisions to interconnection processes documentation at this time:

- The transition of certain interconnection process responsibilities from NS Power and the Nova Scotia Power System Operator (NSPSO) to IESO Nova Scotia.
- Integrating and accommodating transmission-connected loads onto the Nova Scotia electricity system.

IESO Nova Scotia intends to consult stakeholders on proposed revisions to the SGIP, and any relevant interconnection technical documents and processes, prior to submission to the NSEB for review. IESO Nova Scotia foresees this occurring alongside, or subsequent to and informed by, any Board initiated process to seek comments about Concentric’s report and recommendations from participants in Matters M10905 and M12174 as noted in the Board’s letter of December 23, 2025. Accordingly, IESO Nova Scotia will carry out consideration of potential revisions, implement revisions, consult stakeholders on proposed revisions throughout 2026, with a target submission date to the Board by end of December 2026, with the understanding that if submission to the NSEB can be made sooner, IESO Nova Scotia will do so.

⁶ IESO Nova Scotia Letter, re: M10905 Nova Scotia Power Inc. - Board Review of NS Power’s Interconnection Processes & M12174 Nova Scotia Power Inc. - Interconnection Processes Proceeding - Annual Report, November 28, 2025.

Development and completion of information tracking systems are expected on a similar timeline, as well as consideration of alternatives to a transmission heat map.

Until the SGIP is revised and approved by the NSEB, to formally establish IESO Nova Scotia and NS Power's respective responsibilities for the administration of various interconnection processes, both parties are working to codify a more immediate interim solution for administration with respect to the SGIP and respective GIAs, all in accordance with the current Board approved SGIP. IESO Nova Scotia expects that this agreement will be finalized and entered into in Q1 2026.

Finally, IESO Nova Scotia is aware of the interconnection processes annual reporting requirement, due March 31st of each year, under M12174. Given IESO Nova Scotia's confirmation of responsibilities for FERC Order 2023 recommendations and the SGIP going forward, IESO Nova Scotia will assume responsibility of transmission related interconnection processes reporting via the annual interconnection processes report, should the NSEB continue to deem that reporting necessary. Given the NSEB's recent approval of the revised SGIP on February 8, 2026, the current preliminary state of the Board's inquiry into Concentric's FERC Order 2023 recommendations, and the update on IESO Nova Scotia's plans for further revisions to the SGIP in 2026 provided herein, IESO Nova Scotia trusts that this update will suffice for this year's interconnection processes report, subject to the Board's consideration and approval.

Kind regards,

A handwritten signature in blue ink, appearing to read 'Mark Peachey', with a stylized, sweeping flourish at the end.

Mark Peachey
Director, Regulatory Affairs
IESO Nova Scotia